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Watsonville fears effect of slow county growth

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Watsonville city officials are afraid a proposed growth rate for Santa Cruz County's unincorporated areas next year will mean "substantial adverse" impacts for the city's current housing shortage.

The Watsonville Council and city planners say the proposed rate is too low and that it will force more growth on Watsonville if unincorporated areas are not able to meet housing demands.

They plan to ask state officials to intervene by forcing county planners to do an environmental study on the effect the growth rate will have on Watsonville.

But county planners counter that the law doesn't require such a study. They also argue that the effect of a low growth rate on cities is less important than its effect on the unincorporated areas — where the county must provide increased public services when growth occurs.

A lower growth rate is necessary to keep pace with demands for public services in the county's urban areas, such as

Live Oak, county planners said.

They also said they are not ignoring the city's concerns. Supervisors have ordered a study of past and future impacts that the growth rate has had on the county as a whole. But that study won't be done until county planners are ready to figure the 1987 growth rate.

Watsonville officials say that is too late.

At heart of the dispute is the county's controversial Measure J, which voters approved in 1978. It gives county supervisors the power to set an annual growth rate and limit building permits accordingly.

That rate has been as high as 2.2 percent and as low as this year's 1.5 percent, although county planning commissioners had recommended a 1 percent limit.

County planners have recently proposed that supervisors approve a 1.5 growth rate to represent the county's "fair share" of the state's overall growth for 1986. But Watsonville officials said that figure was set without considering the impacts it will have on the city's current housing shortage.

City Manager John Radin sent a letter to planners last

month complaining that the proposed growth rate would "cause substantial adverse effects" on the city.

He wrote that the net result of a low growth rate "is that the housing demands of county residents end up being met by housing that has been constructed and will be constructed inside the city of Watsonville."

That shift in housing supply "takes away the ability of Watsonville residents, of whom many are low and moderate-income, to find affordable housing in their own city," Radin wrote.

City Planning Director Bud Carney said Wednesday, "If the county reduces the growth rate, the (county's unincorporated areas) are still going to grow and people are still going to need housing.

"It's going to create a greater demand on housing than what already exists in Watsonville," he said. With building permits so controlled at the county level, prospective homebuyers will look to the county's cities — especially Watsonville — for relief, creating a greater demand within the city limits, Carney said.

The Watsonville Council last

week ordered its planning staff to ask state officials to force county planners to study the environmental impacts a low limit on growth in the unincorporated areas has on Watsonville.

The city isn't alone in its opposition to the low rate.

The Santa Cruz County Builders Exchange has lodged a formal protest against the proposed growth rate, forcing a review by the county Planning Commission Oct. 9. And the state's Department of Housing and Community Development has lodged its concern that a continued low rate will compound the county's existing housing problems.

Nancy McKee, chief of that department's division of research and policy development, explained the state's concerns in a May 30 letter to County Administrative Officer George Newell.

"We caution the county that the continued use of this lower growth rate... could result in a shortfall of permit allocations... and exacerbate overcrowding in the county," McKee wrote.

However, county planners said the California Environmental Quality Act (CEQA)

doesn't require them to review those "economic" impacts.

"It's not to say that those aren't valid concerns, but according to CEQA, there's no recognition or requirement at all," Assistant County Planning Director Tom Burns said Friday morning.

"The city of Watsonville has an interesting concern, but I don't think they have found a valid forum for discussing it in the CEQA review process," Burns said.

Sue Williamson, the county Planning Department's environmental coordinator, reviewed the rate's impacts on the unincorporated areas.

"We feel the growth rate is not controlling whether or not low or moderate income housing is being built," she said.

She also said that the department currently has an abundant supply of building permits.

County planners hope to address those concerns, in part, in their Measure J study, which they hope to complete before establishing the 1987 growth rate.

"I certainly understand their concerns," Burns said. "But right now it's only speculation what effect the county's growth rate has on the city."

Burns said the county has two primary concerns with the growth-rate issue: the Measure J study and establishing a capital improvements project which will meet demands for increased public services in the rapidly urbanized unincorporated areas.

"There are a major amount of public services that are not being provided," Burns said. A higher growth rate can't be considered "until we get a handle on how to tackle that problem of service deficiencies," he said.

Burns said the Measure J study will look at the city's concerns "peripherally, but that has not been determined yet."

He also said the study will probably examine disputes such as the county's lawsuit against Watsonville in which supervisors charge certain housing and traffic increases resulting from the planned Landmark Industrial Park were not adequately addressed.

"We're going to look at that issue going both ways across both boundaries," he said.

The Board of Supervisors will hold a public hearing on the proposed growth rate Sept. 24.

REFERENCE